

APPLICATION FOR MINISTERIAL EXEMPTION FROM ANTI-DUMPING AND COUNTERVAILING DUTIES UNDER THE *DUMPING DUTY ACT*

PLATE STEEL PRODUCED TO ASTM INTERNATIONAL STANDARD A516 GR70 (the Exempt Goods)

BALCOMBE ENGINEERING PTY LTD (the Applicant)

BLUESCOPE STEEL LIMITED (the Domestic Industry)

APPLICANT’S REPLY TO THE RESPONSE OF THE DOMESTIC INDUSTRY

The applicant importer, Balcombe Engineering Pty Ltd (**Balcombe**) makes this reply to the response of Bluescope Steel Limited (the domestic industry) dated 22 May 2014.

Summary

In summary, the applicant rejects the suggestion that its request for quote related to goods other than the goods the subject of measures.

Further, the Australian industry has failed or refused to supply any evidence that:

1. It produces identical goods to plate steel produced to for plate steel produced to ASTM International Standard A 516 GR70;
2. Plate steel produced by the domestic industry to Australian Standards AS 1548 Grades PT 490NR and PT 490N are like or directly competitive to plate steel produced to ASTM International Standard A 516 GR70;
3. It treats the AS1548 Grades as even substitutable to the exempt goods in its marketing and product information materials.

In reply to the domestic industry’s response, the applicant says as follows:

“The confidential document provided by Balcombe Engineering is [REDACTED]”

This assertion is incorrect.

The applicant sought to place an order for a BlueScope Steel product, namely discs and annulus cut from ASTM A516 GR 70 plate. The applicant notes that ASTM A516 grade 70 is a plate specification, it is not applicable to pipe and tube products, and such products are not identified by this standard.

Indeed, for the avoidance of doubt we repeat the text of the request placed on the domestic industry:

“Hi [REDACTED], [Bluescope Steel representative]

“Could you please supply P&A for the attached RFQ? There are 7 sheets which are all for A516-70, the last sheet will need to be Normalised and Impact tested @-46°C.”

Reference: Extracted from CONFIDENTIAL ATTACHMENT B-1.4 to the Application for Ministerial Exemption lodged 28 November 2013.

The applicant sees nothing in CONFIDENTIAL ATTACHMENT B-1.4 to suggest or support the assertion of the domestic industry that “the goods [REDACTED] [REDACTED]” (Source: Response of the domestic industry dated 22 May 2014).

For the further avoidance of doubt concerning the refusal to supply the “7 sheets which are all for A516-70”, we include the response of the domestic industry:

“Morning [REDACTED] [applicant representative]

“We are unable to offer the grade you are after this is an imported product so [REDACTED] [supplier] would be the better option”

Reference: Extracted from CONFIDENTIAL ATTACHMENT B-1.4 to the Application for Ministerial Exemption lodged 28 November 2013.

The applicant notes that [REDACTED] [supplier] are a domestic stockist, and supplier, of plate steel from both the domestic industry’s products AS1548 PT460 and the imported product, A516 Gr70. They stock imported A516 Gr70 plate hence the domestic industry’s representative’s referral.

To the extent that the domestic industry seeks to draw a distinction between its manufacturing and distribution/sales business units, the applicant points to [REDACTED] [relationship] of the two, and understands that for customers like the applicant, orders placed on the distribution business unit are the only channel to market for goods manufactured in Australia by the domestic industry. Therefore, it is not possible for the domestic industry to ignore the representations of its [REDACTED] [relationship] agent in relation to supply of the goods the subject of the exemption application into the Australian market.

In summary, the request for quote contained in the exemption application (CONFIDENTIAL ATTACHMENT B-1.4) was for plate steel produced to ASTM International Standard A 516 GR70, not [REDACTED] products as asserted by the domestic industry. Therefore, the refusal to supply by the domestic industry, or [REDACTED] [relationship] agents and representatives, amounts to evidence that like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms, or at all.

No rebuttal evidence provided by the domestic industry

The applicant notes that the domestic industry’s response dated 22 May 2014 contains no rebuttal evidence of the following matters specified in the submission of the applicant dated 12 May 2014:

1. The domestic industry does not produce in Australia identical goods to the exempt goods;
2. Plate steel produced by the domestic industry to Australian Standards AS 1548 Grades PT 490NR and PT 490N are not like or directly competitive goods to the exempt goods, as the degrees of physical likeness are limited by the manganese content of the goods, and there are no degrees of commercial or functional likeness between the goods, as the AS1548

Grades are not acceptable to the engineering specifications prescribed by Balcombe's end-user customers;

3. Further, the domestic industry does not treat the AS1548 Grades as substitutable to the exempt goods in its marketing and product information materials.
4. The domestic industry has not provided the documentation or evidence to demonstrate that the A516 Gr 70 steel plate supplied to Kawasaki Heavy Industries was actually made in Australia rather than manufactured overseas.

Conclusion

Accordingly, there is no basis for the domestic industry to object to the making of the Ministerial Exemption sought by the applicant.